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EXAMINER

LOVEL, KIMBERLY M

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PAPER

Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

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Office Action Summary	Application No. 10/790,513	Applicant(s) UY ET AL.	
	Examiner Kimberly Lovel	Art Unit 2167	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 30 October 2007.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-13, 16, 18-35 and 37 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-13, 16, 18-35 and 37 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
 2. ☐ Certified copies of the priority documents have been received in Application No. _____.
 3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- | | |
|--|---|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892) | 4) <input type="checkbox"/> Interview Summary (PTO-413)
Paper No(s)/Mail Date. _____ |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948) | 5) <input type="checkbox"/> Notice of Informal Patent Application |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO/SB/08)
Paper No(s)/Mail Date _____ | 6) <input type="checkbox"/> Other: _____ |

DETAILED ACTION

1. Claims 1-9, 11-13, 16, 18-35 and 37 are rejected. Claims 10, 14, 15, 17 and 36 have been canceled.

Continued Examination Under 37 CFR 1.114

2. A request for continued examination under 37 CFR 1.114, including the fee set forth in 37 CFR 1.17(e), was filed in this application after final rejection. Since this application is eligible for continued examination under 37 CFR 1.114, and the fee set forth in 37 CFR 1.17(e) has been timely paid, the finality of the previous Office action has been withdrawn pursuant to 37 CFR 1.114. Applicant's submission filed on 30 October 2007 has been entered.

Affidavit

Declaration under 37 C.F.R. § 1.131

3. The affidavit filed on 30 October 2007 under 37 CFR § 1.131 has been considered.

Formal Requirements of a Declaration

4. From MPEP § 715.04[R-2]:

The following parties may make an affidavit or declaration under 37 CFR § 1.131:

- (A) All the inventors of the subject matter claimed.
- (B) An affidavit or declaration by less than all named inventors of an application is accepted where it is shown that less than all named inventors of an application invented the subject matter of the claim or claims under rejection. For example, one of

two joint inventors is accepted where it is shown that one of the joint inventors is the sole inventor of the claim or claims under rejection.

(C) **> If a petition under 37 CFR § 1.47 was granted or the application was accepted under 37 CFR § 1.42 or 1.43, the affidavit or declaration may be signed by the 37 CFR § 1.47 applicant or the legal representative, where appropriate.< .

(D) The assignee or other party in interest when it is not possible to produce the affidavit or declaration of the inventor. *Ex parte Foster*, 1903 C.D. 213, 105 O.G. 261 (Comm'r Pat. 1903).

Affidavits or declarations to overcome a rejection of a claim or claims must be made by the inventor or inventors of the subject matter of the rejected claim(s), a party qualified under 37 CFR §§ 1.42, 1.43, or 1.47, or the assignee or other party in interest when it is not possible to produce the affidavit or declaration of the inventor(s). Thus, where all of the named inventors of a pending application are not inventors of every claim of the application, any affidavit under 37 CFR § 1.131 could be signed by only the inventor(s) of the subject matter of the rejected claims. Further, where it is shown that a joint inventor is deceased, refuses to sign, or is otherwise unavailable, the signatures of the remaining joint inventors are sufficient. However, the affidavit or declaration, even though signed by fewer than all the joint inventors, must show completion of the invention by all of the joint inventors of the subject matter of the claim(s) under rejection. *In re Carlson*, 79 F.2d 900, 27 USPQ 400 (CCPA 1935).

An affidavit is a statement in writing made under oath before a notary public, magistrate, or officer authorized to administer oaths. See MPEP § 604 through § 604.06 for additional information regarding formal requirements of affidavits. 37 CFR § 1.68 permits a declaration to be used instead of an affidavit. The declaration must include an acknowledgment by the declarant that willful false statements and the like are punishable by fine or imprisonment, or both (18 U.S.C. § 1001) and may jeopardize the validity of the application or any patent issuing thereon. The declarant must set forth in the body of the declaration that all statements made of the declarant's own knowledge are true and that all statements made on information and belief are believed to be true.

5. From MPEP 602 (II):

U.S. Patent and Trademark Office personnel are authorized to accept a statutory declaration under 28 U.S.C. § 1746 filed in the U.S. Patent and Trademark Office in lieu of an "oath" or declaration under 35 U.S.C. § 25 and 37 CFR § 1.68, provided that the statutory declaration otherwise complies with the requirements of law. Section 1746 of Title 28 of the United States Code provides:

Whenever, under any law of the United States or under any rule, regulation, order, or requirement made pursuant to law, any matter is required to be supported, evidenced, established, or proved by sworn declaration, verification, certificate, statement, oath or affidavit, in writing of the person making the same (other than a deposition, or an oath of office, or an oath required to be taken before a specified official other than notary public), such matter may, with like force and effect, be supported, evidenced, established, or proved by the unsworn declaration, certificate, verification, or statement, in writing of such person which is subscribed by him, as true under penalty of perjury, and dated, in substantially the following form:

[1] If executed without the United States:

"I declare (or certify, verify, or state) under penalty of perjury under the laws of the United States of America that the foregoing is true and correct. Executed on (date).
(Signature)."

[2] If executed within the United States its territories, possessions, or commonwealths:

"I declare (or certify, verify, or state) under penalty of perjury that the foregoing is true and correct. Executed on (date).
(Signature)."

6. The submitted declaration fails to fulfill all of the formal requirements for submission of a declaration under 37 C.F.R. §1.131. The application contains joint

inventors, however, the declaration was made by only one of the inventors. If the declaration is made less than all of the named inventors of an application, then it has to be shown that one of the joint inventors is the sole inventor of the claim or claims under rejection. The examiner will now consider the merits of the declarations.

Allegation of FACTS

7. MPEP § 715.07 (I) states, *inter alia*,

The essential thing to be shown under 37 CFR § 1.131 is priority of invention and this may be done by any satisfactory evidence of the fact. FACTS, not conclusions, must be alleged. Evidence in the form of exhibits may accompany the affidavit or declaration. Each exhibit relied upon should be specifically referred to in the affidavit or declaration, in terms of what it is relied upon to show.

A general allegation that the invention was completed prior to the date of the reference is not sufficient. *Ex parte Saunders*, 1883 C.D. 23, 23 O.G. 1224 (Comm'r Pat. 1883). Similarly, a declaration by the inventor to the effect that his or her invention was conceived or reduced to practice prior to the reference date, without a statement of facts demonstrating the correctness of this conclusion, is insufficient to satisfy 37 CFR § 1.131.

The affidavit or declaration and exhibits must clearly explain which facts or data applicant is relying on to show completion of his or her invention prior to the particular date. Vague and general statements in broad terms about what the exhibits describe along with a general assertion that the exhibits describe a reduction to practice "amounts essentially to mere pleading, unsupported by proof or a showing of facts" and, thus, does not satisfy the requirements of 37 CFR § 1.131(b). *In re Borkowski*, 505 F.2d 713, 184 USPQ 29 (CCPA 1974). Applicant must give a clear explanation of the exhibits pointing out exactly what facts are established and relied on by applicant. 505 F.2d at 718-19, 184 USPQ at 33. See also *In re Harry*, 333 F.2d 920, 142 USPQ 164

(CCPA 1964) (Affidavit "asserts that facts exist but does not tell what they are or when the occurred.").

In the case of the instant declarations, the evidence supports the allegations of conception, diligence and reduction to practice in order to produce facts.

Conception

8. From MPEP § 715.07 (III):

The affidavit or declaration must state FACTS and produce such documentary evidence and exhibits in support thereof as are available to show conception and completion of invention in this country or in a NAFTA or WTO member country (MPEP § 715.07(c)), at least the conception being at a date prior to the effective date of the reference. Where there has not been reduction to practice prior to the date of the reference, the applicant or patent owner must also show diligence in the completion of his or her invention from a time just prior to the date of the reference continuously up to the date of an actual reduction to practice or up to the date of filing his or her application (filing constitutes a constructive reduction to practice, 37 CFR § 1.131). As discussed above, 37 CFR § 1.131(b) provides three ways in which an applicant can establish prior invention of the claimed subject matter. The showing of facts must be sufficient to show:

(A) reduction to practice of the invention prior to the effective date of the reference; or

(B) conception of the invention prior to the effective date of the reference coupled with due diligence from prior to the reference date to a subsequent (actual) reduction to practice; or

(C) conception of the invention prior to the effective date of the reference coupled with due diligence from prior to the reference date to the filing date of the application (constructive reduction to practice).

Conception is the mental part of the inventive act, but it must be capable of proof, as by drawings, complete disclosure to another person, etc. In *Mergenthaler v. Scudder*, 1897 C.D. 724, 81 O.G. 1417 (D.C. Cir. 1897), it was established that conception is more than a mere vague idea of how to solve a problem; the means themselves and their interaction must be comprehended also.

9. From MPEP § 2138.04[R-1]:

Conception has been defined as "the complete performance of the mental part of the inventive act" and it is "the formation in the mind of the inventor of a definite and permanent idea of the complete and operative invention as it is thereafter to be applied in practice...." *Townsend v. Smith*, 36 F.2d 292, 295, 4 USPQ 269, 271 (CCPA 1930). "[C]onception is established when the invention is made sufficiently clear to enable one skilled in the art to reduce it to practice without the exercise of extensive experimentation or the exercise of inventive skill." *Hiatt v. Ziegler*, 179 USPQ 757, 763 (Bd. Pat. Inter. 1973). Conception has also been defined as a disclosure of an invention which enables one skilled in the art to reduce the invention to a practical form without "exercise of the inventive faculty." *Gunter v. Stream*, 573 F.2d 77, 197 USPQ 482 (CCPA 1978). See also *Coleman v. Dines*, 754 F.2d 353, 224 USPQ 857 (Fed. Cir. 1985) (It is settled that in establishing conception a party must show possession of every feature recited in the count, and that every limitation of the count must have been known to the inventor at the time of the alleged conception. Conception must be proved by corroborating evidence.)

10. In the case of the instant affidavit, the statements of the declaration and the submittal of corresponding Exhibits 2-7 meet the requirements to show conception of the invention.

Diligence

11. From MPEP § 715.07(a):

Where conception occurs prior to the date of the reference, but reduction to practice is afterward, it is not enough merely to allege that applicant or patent owner had been diligent. *Ex parte Hunter*, 1889 C.D. 218, 49 O.G. 733 (Comm'r Pat. 1889). Rather, applicant must show evidence of facts establishing diligence.

What is meant by diligence is brought out in *Christie v. Seybold*, 1893 C.D. 515, 64 O.G. 1650 (6th Cir. 1893). In patent law, an inventor is either diligent at a given time or he is not diligent; there are no degrees of diligence. An applicant may be diligent within the meaning of the patent law when he or she is doing nothing, if his or her lack of activity is excused. Note, however, that the record must set forth an explanation or excuse for the inactivity; the USPTO or courts will not speculate on possible explanations for delay or inactivity. See *In re Nelson*, 420 F.2d 1079, 164 USPQ 458 (CCPA 1970). Diligence must be judged on the basis of the particular facts in each case. See MPEP § 2138.06 for a detailed discussion of the diligence requirement for proving prior invention.

Under 37 CFR 1.131, the critical period in which diligence must be shown begins just prior to the effective date of the reference or activity and ends with the date of a reduction to practice, either actual or constructive (i.e., filing a United States patent application). Note, therefore, that only diligence before reduction to practice is a material consideration. The "lapse of time between the completion or reduction to practice of an invention and the filing of an application thereon" is not relevant to an affidavit or declaration under 37 CFR 1.131. See *Ex parte Merz*, 75 USPQ 296 (Bd. App. 1947).

12. In the case of the instant affidavit, the statements of the declaration and the submittal of corresponding Exhibits 2-7 meet the requirements to show diligence.

Reduction to Practice

13. Regarding reduction to practice, MPEP § 715.07 states:

In general, proof of actual reduction to practice requires a showing that the apparatus actually existed and worked for its intended purpose.

14. From MPEP § 2138.05:

Reduction to practice may be an actual reduction or a constructive reduction to practice which occurs when a patent application on the claimed invention is filed. The filing of a patent application serves as conception and constructive reduction to practice of the subject matter described in the application. Thus the inventor need not provide evidence of either conception or actual reduction to practice when relying on the content of the patent application. *Hyatt v. Boone*, 146 F.3d 1348, 1352, 47 USPQ2d 1128, 1130 (Fed. Cir. 1998).

When a party to an interference seeks the benefit of an earlier-filed U.S. patent application, the earlier application must meet the requirements of 35 U.S.C. § 120 and 35 U.S.C. § 112, first paragraph for the subject matter of the count. The earlier application must meet the enablement requirement and must contain a written description of the subject matter of the interference count. *Hyatt v. Boone*, 146 F.3d 1348, 1352, 47 USPQ2d 1128, 1130 (Fed. Cir. 1998). Proof of a constructive reduction to practice requires sufficient disclosure under the "how to use" and "how to make" requirements of 35 U.S.C. § 112, first paragraph. *Kawai v. Metlesics*, 480 F.2d 880, 886, 178 USPQ 158, 163 (CCPA 1973) (A constructive reduction to practice is not proven unless the specification discloses a practical utility where one would not be obvious. Prior art which disclosed an anticonvulsant compound which differed from the claimed compound only in the absence of a -CH₂- group connecting two

functional groups was not sufficient to establish utility of the claimed compound because the compounds were not so closely related that they could be presumed to have the same utility.). The purpose of the written description requirement is "to ensure that the inventor had possession, as of the filing date of the application relied on, of the specific subject matter later claimed by him." *In re Edwards*, 568 F.2d 1349, 1351-52, 196 USPQ 465, 467 (CCPA 1978). The written description must include all of the limitations of the interference count, or the applicant must show that any absent text is necessarily comprehended in the description provided and would have been so understood at the time the patent application was filed. Furthermore, the written description must be sufficient, when the entire specification is considered, such that the "necessary and only reasonable construction" that would be given it by a person skilled in the art is one that clearly supports each positive limitation in the count. *Hyatt v. Boone*, 146 F.3d at 1354-55, 47 USPQ2d at 1130-1132 (Fed. Cir. 1998) (The claim could be read as describing subject matter other than that of the count and thus did not establish that the applicant was in possession of the invention of the count.). See also *Bigham v. Godtfredsen*, 857 F.2d 1415, 1417, 8 USPQ2d 1266, 1268 (Fed. Cir. 1988) ("[t]he generic term halogen comprehends a limited number of species, and ordinarily constitutes a sufficient written description of the common halogen species, except where the halogen species are patentably distinct).

"In an interference proceeding, a party seeking to establish an actual reduction to practice must satisfy a two-prong test: (1) the party constructed an embodiment or performed a process that met every element of the interference count, and (2) the embodiment or process operated for its intended purpose." *Eaton v. Evans*, 204 F.3d 1094, 1097, 53 USPQ2d 1696, 1698 (Fed. Cir. 2000).

The same evidence sufficient for a constructive reduction to practice may be insufficient to establish an actual reduction to practice, which requires a showing of the invention in a physical or tangible form that shows every element of the count. *Wetmore v. Quick*, 536 F.2d 937, 942, 190 USPQ 223, 227 (CCPA 1976). For an actual reduction to practice, the invention must have been sufficiently tested to demonstrate that it will work for its intended purpose, but it need not be in a commercially satisfactory stage of development.

If a device is so simple, and its purpose and efficacy so obvious, construction alone is sufficient to demonstrate workability.

King Instrument Corp. v. Otari Corp., 767 F.2d 853, 860, 226 USPQ 402, 407 (Fed. Cir. 1985).

For additional cases pertaining to the requirements necessary to establish actual reduction to practice see *DSL Dynamic Sciences, Ltd. v. Union Switch & Signal, Inc.*, 928 F.2d 1122, 1126, 18 USPQ2d 1152, 1155 (Fed. Cir. 1991) ("events occurring after an alleged actual reduction to practice can call into question whether reduction to practice has in fact occurred"); *Corona v. Dovan*, 273 U.S. 692, 1928 C.D. 252 (1928) ("A process is reduced to practice when it is successfully performed. A machine is reduced to practice when it is assembled, adjusted and used. A manufacture [i.e., article of manufacture] is reduced to practice when it is completely manufactured. A composition of matter is reduced to practice when it is completely composed." 1928 C.D. at 262-263 (emphasis added).); *Fitzgerald v. Arbib*, 268 F.2d 763, 765-66, 122 USPQ 530, 531-32 (CCPA 1959) ("the reduction to practice of a three-dimensional design invention requires the production of an article embodying that design" in "other than a mere drawing").

"The nature of testing which is required to establish a reduction to practice depends on the particular facts of each case, especially the nature of the invention." *Gellert v. Wanberg*, 495 F.2d 779, 783, 181 USPQ 648, 652 (CCPA 1974) ("an invention may be tested sufficiently ... where less than all of the conditions of actual use are duplicated by the tests"); *Wells v. Fremont*, 177 USPQ 22, 24-5 (Bd. Pat. Inter. 1972) ("even where tests are conducted under bench' or laboratory conditions, those conditions must fully duplicate each and every condition of actual use' or if they do not, then the evidence must establish a relationship between the subject matter, the test condition and the intended functional setting of the invention," but it is not required that all the conditions of all actual uses be duplicated, such as rain, snow, mud, dust and submersion in water).

15. In this case, an actual reduction to practice is alleged to have occurred prior 31 August 2002. Exhibits 8-15 support the reduction to practice.

16. For the reasons cited above, the declarations filed by the Applicants under 37 C.F.R. § 1.131 establish that the claimed invention was reduced to practice after the critical period. As such, the affidavit is sufficient to establish invention prior to the prior art references relied upon in the rejections of record. The rejections are withdrawn by the examiner.

Claim Objections

17. Claim 57 is objected to because of the following informalities: The claim fails to end with a period. Appropriate correction is required.

Claim Rejections - 35 USC § 103

18. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

19. This application currently names joint inventors. In considering patentability of the claims under 35 U.S.C. 103(a), the examiner presumes that the subject matter of the various claims was commonly owned at the time any inventions covered therein were made absent any evidence to the contrary. Applicant is advised of the obligation under 37 CFR 1.56 to point out the inventor and invention dates of each claim that was not commonly owned at the time a later invention was made in order for the examiner to consider the applicability of 35 U.S.C. 103(c) and potential 35 U.S.C. 102(e), (f) or (g) prior art under 35 U.S.C. 103(a).

20. Claims 1-9, 11-13, 16, 18-35 and 37 are rejected under 35 U.S.C. 103(a) as being unpatentable over US PGPub 2002/0120561 to Chin et al (hereafter Chin) in view of US Patent No 5,787,443 to Palmer (hereafter Palmer).

Referring to claim 1, Chin discloses a method for Harmonized Tariff Schedule ("HTS") auditing using a software user interface and a database coupled to the software user interface using one or more layers of executable code comprising:

receiving by an importer from a customs broker an entry packet submitted to U.S. Customs, the entry packet containing information relating to a shipment for importation (see [0061]; [0076]; and [0119]); and

entering, by the importer [user], the entry packet into a first repository in the database [memory unit 16] (see Fig 3 and [0120]).

However, Chin fails to explicitly disclose the further limitations of consulting, by the importer, a second repository in the database, the second repository containing records relevant to a plurality of imported goods; comparing, by the importer, the entry packet in the first repository with the records in the second repository; identifying, by the importer, one or more discrepancies between the entry packet and the records; and generating, by the importer, a report identifying the one or more discrepancies between the entry packet and the records. Palmer discloses two separate databases containing entered data (see column 4, lines 1-5), including the further limitations of

consulting a second repository in the database, the second repository containing records relevant to a plurality of goods [compare primary and secondary data blocks of reference database] (see Fig 4);

comparing the entry packet in the first repository with the records in the second repository [compare primary and secondary data blocks of reference database] (see Fig 4);

identifying one or more discrepancies between the entry packet and the records [indicate unmatched secondary data blocks] (see Fig 4); and

generating a report [a message indicating errors] identifying the one or more discrepancies between the entry packet and the records [indicate unmatched secondary data blocks] (see Fig 4).

Palmer fails to explicitly disclose wherein an importer is performing each of the above steps and wherein the records are relevant to imported goods. It would be obvious to one of ordinary skill to apply the steps to an importer and imported goods since a particular type of user and the purpose of the records has no effect on the concept that errors in database records can begin with the data originator occur upon entry into the database (Palmer: see column 1, lines 12-31).

It would have been obvious to one of ordinary skill in the art at the time of the invention to utilize the method of determining database accuracy disclosed by Palmer to audit the entry packets of Chin. One would have been motivated to do so since importers typically face significant financial risk if any of the participants in the import process make an error (Chin: see [0022], lines 5-6).

Referring to claim 2, the combination of Chin and Palmer (hereafter Chin/Palmer) discloses the HTS audit method of claim 1 wherein the report is used to

identify [indicate unmatched secondary data blocks] and correct errors [Correct Errors] relating to importation (Palmer: see Fig 4).

Referring to claim 3, Chin/Palmer discloses the HTS audit method of claim 1 wherein the software user interface comprises links [links on a website] from the first repository to the second repository (Chin: see [0019], lines 11-13).

Referring to claim 4, Chin/Palmer discloses the HTS audit method of claim 1 wherein the entry packet is received by the importer from the customs broker in an electronic format [loaded from electronic media provided by the data originator] (Palmer: see column 1, lines 21-25).

Referring to claim 5, Chin/Palmer discloses the HTS audit method of claim 1 wherein the entry packet comprises a 7501 Customs form (Chin: see [0120], lines 1-2).

Referring to claim 6, Chin/Palmer discloses the HTS audit method of claim 1 wherein the entry packet comprises a commercial invoice for the imported goods (Chin: see [0030], lines 7-9).

Referring to claim 7, Chin/Palmer discloses the HTS audit method of claim 1 wherein the entry packet comprises a shipping manifest [manifest] (Chin: see [0117] and [0124]).

Referring to claim 8, Chin/Palmer discloses the HTS audit method of claim 1 wherein the comparing the entry packet with the records comprises comparing HTS classifications assigned by the customs broker to HTS classifications stored in a product dictionary in the second repository (Palmer: see column 3, lines 17-59).

Referring to claim 9, Chin/Palmer discloses the HTS audit method of claim 1 wherein the comparing the entry packet with the records comprises comparing attribute classifications assigned by the customs broker to attribute classifications located in the second repository (Palmer: see column 3, lines 17-59).

Referring to claim 11, Chin/Palmer discloses the HTS audit method of claim 1 wherein the report [QC report] comprises data containing a list of errors based on the identified discrepancies (Palmer: see column 5, line 25 – column 6, line 19).

Referring to claim 12, Chin/Palmer discloses the HTS audit method of claim 1 wherein the entry packet comprises a Customs 7501 form (Chin: see [0120], lines 1-2), a commercial invoice (Chin: see [0030]), and a shipping manifest [manifest] (Chin: see [0117] and [0124]).

Referring to claim 13, Chin/Palmer discloses the HTS audit method of claim 1 wherein the identifying the one or more discrepancies is performed by a second user in a supervisory position over the importer [data can be provided by separate users] (Palmer: see column 3, line 63—column 4, line 5).

Referring to claim 16, Chin discloses an apparatus for auditing of Harmonized Tariff Schedule ("HTS") classification for U.S. Customs importation, comprising: a database comprising internal records relevant to Harmonized Tariff Schedule CHTS") classifications and (ii) software user interface means for accessing the database comprising (a) receive electronic entry packets (see Fig 3 and [0120]).

Chin fails to explicitly disclose the further limitations of the software program suite configured to: receive electronic entry packets; enable a user at the computer

terminal to compare one of the entry packets to the internal records; and enable the user to generate a report comprising discrepancies between the one of the entry packets and the internal records. Palmer discloses two separate databases containing entered data (see column 4, lines 1-5), including the further limitations of

- a computer terminal [computer 2] (see Fig 1);

- a user interface accessible from the computer terminal [screen 7 of display 6 is used to present a graphical user interface] (GUI) (see column 2, lines 51-52); and

- a software program suite coupled to the database and to the user interface (see column 3, lines 1-17), the software program suite configured to:

 - receive electronic entry packets (see column 3, line 60 – column 4, line 5);

 - enable a user at the computer terminal to compare one of the entry packets to the internal records [compare primary and secondary data blocks of reference database] (see Fig 4); and

 - enable the user to generate a report [a message indicating errors] comprising discrepancies between the one of the entry packets and the internal records [indicate unmatched secondary data blocks] (see Fig 4 and column 5, line 25 – column 6, line 18).

It would have been obvious to one of ordinary skill in the art at the time of the invention to utilize the method of determining database accuracy disclosed by Palmer to audit the entry packets of Chin. One would have been motivated to do so since importers typically face significant financial risk if any of the participants in the import process make an error (Chin: see [0022], lines 5-6).

Referring to claim 18, Chin/Palmer discloses the system of claim 16 wherein the report is used to identify and correct errors relating to importation (Palmer: see column 5, line 25 – column 6, line 18).

Referring to claim 19, Chin/Palmer discloses the system of claim 16 wherein the report comprises data containing a list of errors based on the identified discrepancies (Palmer: see column 5, line 25 – column 6, line 18).

Referring to claim 20, Chin/Palmer discloses the system of claim 16 further comprising a second computer terminal through which the user interface is accessible (Palmer: see column 2, lines 48—column 3, line 17).

Referring to claim 21, Chin/Palmer discloses the system of claim 20 wherein the second terminal is configured to enable a second user to compare some of the entry packets to the internal records (Palmer: see column 5, line 25 – column 6, line 18).

Referring to claim 22, Chin/Palmer discloses the system of claim 16 wherein the entry packets comprise a Customs 7501 form (Chin: see [0120], lines 1-2), a commercial invoice (Chin: see [0030]), and a shipping manifest [manifest] (Chin: see [0117] and [0124]).

Referring to claim 23, Chin/Palmer discloses the system of claim 16 wherein the software interface comprises software navigational links (Palmer: see column 2, lines 48-67).

Referring to claim 24, Chin discloses an Harmonized Tariff Schedule (“HTS”) classification method for auditing entry packets for U.S. Customs comprising:

inserting, using a software user interface, an entry packet into a database [memory unit 16] (see Fig 3 and [0120]).

However, Chin fails to explicitly disclose the further limitations of comparing data in the entry packet to internal records located in the database; identifying one or more errors between the data and the internal records; and generating a report comprising the errors. Palmer discloses two separate databases containing entered data (see column 4, lines 1-5), including the further limitations of:

comparing data in the entry packet to internal records located in the database [compare primary and secondary data blocks of reference database] (see Fig 4);

identifying one or more errors between the data and the internal records [indicate unmatched secondary data blocks] (see Fig 4); and

generating a report [a message indicating errors] comprising the errors [indicate unmatched secondary data blocks] (see Fig 4 and column 5, line 25 – column 6, line 18).

It would have been obvious to one of ordinary skill in the art at the time of the invention to utilize the method of determining database accuracy disclosed by Palmer to audit the entry packets of Chin. One would have been motivated to do so since importers typically face significant financial risk if any of the participants in the import process make an error (Chin: see [0022], lines 5-6).

Referring to claim 25, Chin/Palmer discloses the method of claim 24 wherein the entry packet comprises a 7501 U.S. Customs form (Chin: see [0120], lines 1-2).

Referring to claim 26, Chin/Palmer discloses the method of claim 24 wherein the database further comprises a plurality of repositories, including a repository for storing the entry packet and at least one repository for storing the internal records [pair of databases] (see column 1, lines 57 – column 2, line 9).

Referring to claim 27, Chin/Palmer discloses the method of claim 26 wherein one of the at least one repository comprises a decision tree database of HTS classifications (Palmer: see column 3, lines 11-59).

Referring to claim 28, Chin/Palmer discloses the method of claim 24 wherein the comparing is performed by a user working for the importer (see column 3, line 60 – column 4, line 5).

It would be obvious to one of ordinary skill to apply the steps to a user working for the importer since a particular type of user has no effect on the concept that errors in database records can begin with the data originator occur upon entry into the database (Palmer: see column 1, lines 12-31).

Referring to claim 29, Chin/Palmer discloses the method of claim 24 wherein the report is used to identify [indicate unmatched secondary data blocks] and correct errors [Correct Errors] relating to importation (Palmer: see Fig 4).

Referring to claim 30, Chin/Palmer discloses the method of claim 24 wherein the software user interface is accessible from a plurality of user terminals (Palmer: see Fig 1 and Fig 2).

Referring to claim 31, Chin/Palmer discloses the method of claim 24 wherein the entry packet is obtained from the customs broker in an electronic format [loaded

from electronic media provided by the data originator] (Palmer: see column 1, lines 21-25).

Referring to claim 32, Chin/Palmer discloses the method of claim 24 wherein the inserting the entry packet is performed by an analyst working for the importer [data can be provided by separate users] (Palmer: see column 3, line 63—column 4, line 5).

Referring to claim 33, Chin/Palmer discloses the method of claim 24 wherein the internal records are organized in an internal-to-commodity map (Palmer: see column 3, lines 11-59).

Referring to claim 34, Chin discloses an apparatus for auditing of Harmonized Tariff Schedule ("HTS") classification for U.S. Customs importation, comprising: (ii) software user interface means for accessing the database comprising (a) input means for entering entry packets (see Fig 3 and [0120]).

Chin fails to explicitly disclose the further limitations of (i) database comprising a plurality of repositories; (b) comparison means for comparing entry packets with internal records in some of the plurality of repositories; (c) report-generating means for creating reports identifying inconsistencies between the entry packets and the internal records; and (iii) a plurality of remote terminals through which the software user interface is accessible by one or more users.

Palmer discloses two separate databases containing entered data (see column 4, lines 1-5), including the further limitations of

(i) database comprising a plurality of repositories (see column 1, lines 59-60);

(b) comparison means for comparing entry packets with internal records in some of the plurality of repositories [compare primary and secondary data blocks of reference database] (see Fig 4);

(c) report-generating means for creating reports identifying inconsistencies between the entry packets and the internal records [indicate unmatched secondary data blocks] (see Fig 4).

(iii) a plurality of remote terminals through which the software user interface is accessible by one or more users (see column 2, lines 48-67).

It would have been obvious to one of ordinary skill in the art at the time of the invention to utilize the method of determining database accuracy disclosed by Palmer to audit the entry packets of Chin. One would have been motivated to do so since importers typically face significant financial risk if any of the participants in the import process make an error (Chin: see [0022], lines 5-6).

Referring to claim 35, Chin/Palmer discloses the apparatus of claim 34 wherein reports from the report-generating means are used to correct errors [Correct Errors] in importation (Palmer: see Fig 4).

Referring to claim 37, Chin/Palmer discloses the method of claim 1 wherein the software user interface comprises links from the first repository to the second repository (Chin see [0019], lines 11-13); the entry packet is received by the importer from the customs broker in an electronic format (Palmer: see column 1, lines 21-25); the entry packet comprises a 7501 Customs form (Chin: see [0120], lines 1-2), a commercial invoice for the imported goods (Chin: see [0030], lines 7-9), and a shipping manifest;

the comparing the entry packet with the records comprises comparing HTS classifications assigned by the customs broker to HTS classifications stored in a product dictionary in the second repository; the comparing the entry packet with the records comprises comparing attribute classifications assigned by the customs broker to attribute classifications located in the second repository (Palmer: see Fig 4); and the report comprises data containing a list of errors based on the identified discrepancies (Palmer: see column 5, line 25 – column 6, line 18).

Response to Arguments

21. Applicant's arguments with respect to claims 1-9, 11-13, 16, 18-35 and 37 have been considered but are moot in view of the new ground(s) of rejection.

Contact Information


Any inquiry concerning this communication or earlier communications from the examiner should be directed to Kimberly Lovel whose telephone number is (571) 272-2750. The examiner can normally be reached on 8:00 - 4:00.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, John Cottingham can be reached on (571) 272-7079. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

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